



**COUNTY OF LOS ANGELES**  
**DEPARTMENT OF PUBLIC WORKS**

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
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**GAIL FARBER, Director**

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

July 13, 2010

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

#32 JULY 13, 2010

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

Dear Supervisors:

**AUTHORIZATION FOR THE LOS ANGELES COUNTY WATERWORKS  
DISTRICT NO. 40, ANTELOPE VALLEY, TO FUND THE DESIGN  
AND CONSTRUCTION OF A NEW INTERCONNECTION AND  
CORRESPONDING PIPELINE AND TO UPGRADE  
AN EXISTING INTERCONNECTION  
(SUPERVISORIAL DISTRICT 5)  
(3 VOTES)**

**SUBJECT**

This action is to authorize the Director of Public Works or her designee to execute an agreement with the Antelope Valley-East Kern Water Agency to fund the design and construction of a new water service interconnection and to upgrade an existing water service interconnection between the Antelope Valley-East Kern Water Agency and the Los Angeles County Waterworks District No. 40, Antelope Valley, water system.

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY:**

Authorize the Director of Public Works or her designee to execute an agreement with the Antelope Valley-East Kern Water Agency to fund the design and construction of a new water service interconnection and to upgrade an existing water service interconnection between the Antelope Valley-East Kern Water Agency and the Los Angeles County Waterworks District No. 40, Antelope Valley, water systems for a not-to-exceed cost of \$4 million.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended action is to authorize the Director of Public Works or her designee to execute an agreement with the Antelope Valley-East Kern Water Agency (AVEK) substantially similar to the enclosed agreement to fund the design and construction of a new water service interconnection and to upgrade an existing water service interconnection to deliver water to the Los Angeles County Waterworks District No. 40, Antelope Valley (District). The new water service interconnection and upgrade to the existing water service interconnection between AVEK and the District's water systems will allow the District to manage and fully utilize the existing supply of imported water available from AVEK.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). The recommended action will allow the District to fully utilize the available supply of imported water available from AVEK in order to meet water demands and improve the reliability of the water supply for customers in the District.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

The District will fund the cost for the design and construction of the projects. AVEK will own, operate, and maintain the water service interconnections, including the pipelines and all appurtenances once the projects are complete. The total cost of these projects is estimated to be \$4 million. Financing for these projects will be available in the District's Fiscal Year 2010-11 Budget for Accumulative Capital Outlay Fund (N64).

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The new water service interconnection includes approximately 1.5 miles of 30-inch pipeline from AVEK's 36-inch transmission pipeline along Avenue N to the District's existing facility at 741 West Avenue M in Lancaster and a building located at the same site, which will house a water meter between the new pipeline and the District's existing pipeline. The District's existing underground interconnection with AVEK at 41956 5th Street East in Palmdale will also be replaced with a similar building, and the existing 24-inch pipeline that connects to AVEK's 30-inch transmission pipeline along Avenue M will be replaced with a new 30 inch pipeline. All work is located within the Cities of Lancaster and Palmdale.

The District's existing Water Service Agreement with AVEK, adopted by your Board on July 14, 1970, requires the District to pay for all costs incurred by AVEK to design, construct, and maintain water service interconnections serving the District.

County Counsel has reviewed the agreement and has found the recommended action to be consistent with the terms of the agreement. AVEK will acquire all necessary permits for the projects.

### **ENVIRONMENTAL DOCUMENTATION**

The proposed project is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of project by Section 15378(b) of the State CEQA Guidelines. This proposed action would create a government funding mechanism that

does not involve any commitment to a project that would result in a potentially significant impact on the environment.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This action will not have a negative impact to existing services or planned projects. The projects will enhance water distribution and supply reliability for the District's existing customers.

**CONCLUSION**

Please return four adopted copy of this letter to the Department of Public Works, Waterworks Division.

Respectfully submitted,



GAIL FARBER  
Director

GF:AA:lr

Enclosures

c: Chief Executive Office  
County Counsel  
Executive Office

**AGREEMENT FOR MAIN EXTENSION AND INTERCONNECTION DESIGN AND CONSTRUCTION**

This AGREEMENT, made and entered into by and between the ANTELOPE VALLEY-EAST KERN WATER AGENCY, established by Chapter 2146 of the 1959 Statutes of the State of California (hereinafter referred to as AGENCY), and the LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY, (hereinafter referred to as DISTRICT):

**RECITALS**

WHEREAS, the DISTRICT desires the AGENCY to design, competitively bid, and award a construction contract for a 24-to 30-inch pipeline in 10th Street West from Avenue N to Avenue M and continuing in Avenue M to the DISTRICT'S existing facility at 741 West Avenue M, and an interconnection to the DISTRICT'S existing pipeline, and to design an additional interconnection of similar design to the above interconnection intended to replace an existing interconnection at the DISTRICT'S existing facility at 41956 5th Street East (hereinafter referred to as PROJECT); and

WHEREAS, the AGENCY agrees to administer the PROJECT design and construction and the DISTRICT agrees to fund one hundred percent (100%) of the DESIGN and CONSTRUCTION COST OF THE PROJECT as defined in Sections 3(a) and 3(b).

NOW, THEREFORE, in consideration of the mutual benefits to be derived by both the AGENCY and the DISTRICT, it is hereby agreed as follows:

(1) AGENCY AGREES:

- a. To solicit design proposals for the PROJECT, to review them with the DISTRICT, and to make an award to a mutually agreed design professional for preparation of plans and specifications (hereinafter referred to as PLANS) for use in competitively bidding for construction of the PROJECT.
- b. To advertise the PROJECT for construction bids, to award and to administer the construction contract on behalf of and in consultation with the DISTRICT.
- c. To obtain and comply with all necessary State, local, or other needed regulatory approvals or applicable permits and environmental documents, including, without limitation, performing all acts required by or in connection with the requirements of the California Environmental Quality Act, for the construction of the PROJECT.

- d. To notify the DISTRICT 48 hours in advance of the start of construction of the PROJECT so that the DISTRICT may furnish an inspector to inspect construction of the PROJECT. The AGENCY'S inspector shall consult with the DISTRICT'S inspector with respect to the PROJECT, but the AGENCY'S inspector's decision shall be final.
- e. To require in their contracts with the design professional, contractor, and/or any subcontractors selected to perform work on the PROJECT that indemnity is to be provided to the DISTRICT, its elected officials, officers, agents, and employees to the same extent as indemnity is provided to the AGENCY.
- f. To require in their contracts with the design professional, contractor and/or any subcontractors selected to perform work on the PROJECT that the DISTRICT, its elected officials, officers, agents, and employees will be added as an additional insured by endorsement, with waiver of subrogation, to the same extent as such insurance is provided to the AGENCY.
- g. To require that the contractor provide payment and performance bonds, each in the amount of 100% of the contract amount from a California admitted surety. The payment bond is to remain in effect until final acceptance of the PROJECT by the AGENCY. The performance bond is to remain in effect during the contract term and warranty periods set forth in the contract. The DISTRICT is to be identified as an obligee of the bonds to the same extent as the AGENCY.
- h. To own and operate the PROJECT and accept all maintenance responsibility for the PROJECT.
- i. To provide the DISTRICT the opportunity to review and negotiate any change orders for the PROJECT prior to approval by the AGENCY.

(2) DISTRICT AGREES:

- a. Upon mutual agreement and prior to award of the design contract, the DISTRICT shall make an upfront deposit with the AGENCY in the amount of the "DESIGN COST OF THE PROJECT" as defined in Section 3(a) and thereafter shall make payments to the AGENCY in the amounts necessary to fully reimburse the AGENCY for its costs incurred to obtain and comply with all necessary State, local or other needed regulatory approvals or applicable permits, and environmental requirements, including without limitation the California Environmental Quality Act within 30 days of receipt of the invoice from the AGENCY.

- b. Prior to award of the construction contract for the PROJECT, to make an upfront deposit with the AGENCY in an amount equal to 100% of the amount of the bid; and upon award of the construction contract for the PROJECT, to make payments to AGENCY in the amounts required by the contract, including approved change orders, within 30 days of receipt of the invoice from the AGENCY.
- c. To provide inspection during construction of the PROJECT to assist the AGENCY with compliance of the PROJECT with the PLANS.
- d. To allow unrestricted site access to the AGENCY during construction of the PROJECT.
- e. To generate documentation required to allow unrestricted access to the AGENCY, once the PROJECT is completed, in order for the AGENCY to operate and maintain the PROJECT.

(3) IT IS MUTUALLY UNDERSTOOD AND AGREED AS FOLLOWS:

- a. "DESIGN COST OF THE PROJECT" shall mean all costs to prepare project plans, project specifications, and place same out to competitive bid. This shall also include costs of administration of the competitive bidding process, up to and include the final award of the construction contract.
- b. The "CONSTRUCTION COST OF THE PROJECT" shall mean the AGENCY'S cost of obtaining and complying with all necessary State, local or other needed regulatory approvals or applicable permits, and environmental documents, as set forth in Section (2)a above; payments made to third-party contractors pursuant to contracts that will be competitively bid and awarded by the AGENCY for the construction of the PROJECT, based on the amount shown on the bid that is accepted for award of the construction contract for the PROJECT and the cost of associated change orders as set forth in Section (2)b above; and the AGENCY'S cost of inspection as set forth in Section (2)c above.
- c. The DISTRICT shall have the right to review and verify the accuracy and validity of the AGENCY invoices for the DESIGN COSTS OF THE PROJECT and CONSTRUCTION COST OF THE PROJECT including contractor and/or subcontractor documentation required to perform such review. The AGENCY will assist the DISTRICT to obtain requested documentation for review.

- d. To the extent that liability is imposed on either party pursuant to the provisions of Government Code § 895.2, each party shall indemnify, defend, protect, hold harmless, and release the other, their elected bodies, officers, agents, and employees, from and against any and all claims, losses, proceedings, damages, causes of action, liability, costs, or expense (including attorneys' fees and witness costs) arising from or in connection with, or caused by any negligent act or omission or willful misconduct of such indemnifying party. This indemnification obligation shall not be limited in any way by any limitation of the amount or type of damages or compensation payable to or for the indemnifying party under workers' compensation acts, disability benefit acts, or other employee benefit acts. This provision shall survive termination of this AGREEMENT.
- e. In the event the PROJECT has not commenced construction within five (5) years of the date of the signing of this AGREEMENT, this AGREEMENT will be considered expired and the AGENCY will refund to the DISTRICT the portions of the DESIGN COSTS OF THE PROJECT and the CONSTRUCTION COSTS OF THE PROJECT that remain unspent..
- f. If DISTRICT funds deposited with the AGENCY exceed the DESIGN COSTS OF THE PROJECT and/or CONSTRUCTION COSTS OF THE PROJECT, such excess funds will be refunded to the DISTRICT by the AGENCY within 60 days of completion of the PROJECT.
- g. This AGREEMENT may be amended or modified only by mutual written consent of the AGENCY and the DISTRICT. Amendments and modifications of a nonmaterial nature may be made by the mutual written consent of the parties Director or their designees.
- h. Any correspondence, communication, or contact concerning this AGREEMENT shall be directed to the following:

AGENCY: Mr. Michael Flood  
Assistant General Manager  
Antelope Valley-East Kern Water Agency  
6500 West Avenue N  
Palmdale, CA 93551-2855  
(661) 943-3201

DISTRICT: Ms Jessica Bunker  
Associate Civil Engineer  
County of Los Angeles Department of Public Works  
Waterworks Division  
900 South Fremont Avenue  
Alhambra, CA 91803  
(626) 300-3315



IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed by their respective officers, duly authorized, by the ANTELOPE VALLEY-EAST KERN WATER AGENCY on \_\_\_\_\_, 2010, and by the LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY, on \_\_\_\_\_, 2010.

ANTELOPE VALLEY-EAST KERN  
WATER AGENCY

LOS ANGELES COUNTY WATERWORKS  
DISTRICT NO. 40, ANTELOPE VALLEY

By \_\_\_\_\_

By \_\_\_\_\_  
Director of Public Works

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN  
County Counsel

By \_\_\_\_\_  
Deputy